



FINANCIAL ASSISTANCE POLICY

STATEMENT OF PURPOSE:

This policy is intended to establish guidelines for a structured procedure so as not to exclude anyone from seeking medical services on the grounds that such a person may not have adequate resources to pay for those services rendered at Community Hospital of Bremen, Inc. It is intended to address those that do not have the ability to pay and to offer a discount from billed charges for those who are able to pay a portion of the costs of their care. This policy sets forth the basic framework for the Hospital and all entities that are owned, leased or operated by the Hospital. Upon adoption by the Board of Directors, this policy represents the official financial assistance policy, herein called the FAP, and follows the guidelines set forth in the Internal Revenue Code Section 501(r). The Hospital also reserves the right to attempt by the use of all legal means to recover payment for those medical services received at the Hospital.

FAP DEFINITIONS:

Amounts Generally Billed (AGB) means the Usual and Customary Charges for Covered Services provided to individuals eligible under the Basic Financial Assistance Program, multiplied by the Hospital-Specific AGB Percentage applicable to such services.

Assets are Liquid assets that can be converted to cash to meet financial obligations.

Billing and Collections Policy means the Hospital Policy entitled: "Patient Financial Services: Billing and Collection Policy for Self-Pay Accounts" is the same and may be amended from time to time.

Emergency Services means a medical condition of a patient that has resulted from the sudden onset of a health condition with acute symptoms which, in the absence of immediate medical attention, are reasonably likely to place the patient's health in serious jeopardy, result in serious impairment to bodily functions of the patient or result in serious dysfunction of any bodily organ or part.

Extraordinary Collection Actions (ECA) Actions taken by the Hospital against an individual related to obtaining payment of a bill for care that requires a legal process, selling an individual's debt to another party, or reporting adverse information to consumer credit reporting agencies.

FAP-Eligible means an individual eligible for financial assistance under this Policy.

Federal Poverty Guidelines measures of income levels issued annually by the Department of Health and Human Services. Federal poverty levels are used to determine eligibility for this financial assistance program.

Hospital Facility and Hospital Owned Entities The Hospital and all Hospital owned or partially owned entities are required to follow the 501(r) requirements with respect to care provided for emergency and medically necessary services.

Limitation on Charges refers to limiting the amounts charged for emergency and other medically necessary care provided to individuals eligible for financial assistance to not more than the amounts generally billed to individuals who have insurance covering the same care. In addition for billing and collection, the Hospital may

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not engage in ECAs before reasonable efforts have been made to determine whether the individual is eligible for financial assistance.

Medically Necessary Services means those inpatient and outpatient services required to identify and treat an illness or injury.

Summary of the Financial Assistance Policy is a written statement that notifies an individual that the Hospital offers financial assistance under a FAP and provides the information in a clear, concise, and easy to understand description.

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This policy refers to medical services rendered to patients who claim they are not able to pay all or any of the costs when healthcare services are rendered. Although designated as charity, when the Hospital believes that a patient who claims charity has assets usable for payment of services given, the Hospital policy is to make every reasonable attempt to collect payment for medical services rendered.

It is the policy of the Hospital that no patients seeking medical service that can be provided by the Hospital will be denied access to those services solely because of the inability to pay for those services. The Hospital will provide without discrimination, care for emergency services, and medically necessary services to individuals regardless of whether they are eligible based on the Hospital's Financial Assistance Policy (FAP). Debt collection activities in the emergency department or in other areas of the hospital facility where such activities could interfere with the provisions of emergency or medically necessary care are prohibited.

The Hospital may make available services at a reduced charge, based on the ability to pay as determined by the Hospital. The amounts charged for emergency and other medically necessary care provided to individuals eligible for financial assistance will not be more than the amounts generally billed (AGB) to individuals who have insurance covering the same care.

The Hospital reserves the right to investigate and inquire as to the available assets, income, and other factors which would assist the Hospital in making the determination of the ability to pay.

All patients have the opportunity to apply for financial assistance prior to the Hospital engaging in any extraordinary collection activities (ECA). The Hospital will not engage in ECAs against an individual to obtain payment for care before making reasonable efforts to determine whether the individual is FAP-eligible for the care.

In the event the patient dies, the Hospital reserves the right to pursue all possible claims against the decedent's estate or against any other person or entity having a legal obligation to pay for the decedent's medical services to recover owed amount to the Hospital by the decedent for Hospital services rendered which were unpaid at the time of the decedent's death.

This policy is posted on the Hospital's website and is available at various locations throughout the Hospital including the Emergency Department and the Registration areas. In addition, each Hospital's billing statement includes a notice regarding the availability of financial assistance. The patients and the Hospital community are also notified via signage located throughout the Hospital.

A summary of the FAP is available upon request and is offered as part of the intake process in both the Emergency Department and Registration areas.

FAP POLICY INSTRUCTIONS:

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The following are instruction statements regarding how the policy is executed.

Alternative sources of payment

All commercial, federal, and state health and medical payment sources including automobile and homeowner's policies available to the patient will be billed prior to receiving financial assistance under the Hospital's FAP.

Eligibility Criteria and Determination

In determining the adequacy or inadequacy of income, the most current federal poverty income guidelines for the low end and 200% of the guidelines for the high end will be used as a scale based on the Gross income of the patient and the patient's household, the patient's household size, and other medical/financial obligations.

Presumptive Financial Assistance Eligibility

Patients who are deemed to be presumptively eligible for financial assistance will receive a financial adjustment to their final statement balance based on the patient's individual scoring criteria.

Limitation of Charges/Amounts Generally Billed

The Hospital limits the amounts charged for emergency and medically necessary services provided to individuals eligible for assistance under this Policy to not more than the amounts generally billed to individuals who have insurance coverage for such care. The AGB is derived by dividing (1) the sum of all claims for Medically Necessary services provided at the Hospital and paid during the relevant period by Medicare fee-for-service and all private health insurers as primary payers, together with any associated portions of these claims paid by Medicare beneficiaries or insured individuals in the form of co-pays, co-insurance or deductibles, by (2) the charges set forth in the Hospital chargemaster at the time the services are rendered. The Hospital-Specific AGB Percentage shall be calculated annually for a twelve (12) month period from January 1 to December 31 and allows 120 days for such calculation to be made and updated in the FAP. The calculation of the Hospital-Specific AGB Percentage shall comply with the "look-back method" described in the IRS Regulation 501(r)-5(b) (1) (B). Please contact the Business Office at 574-546-8048 for more information regarding the AGB discount.

Self-Pay/Uninsured Discount

The Hospital offers an uninsured discount to individuals without any insurance coverage. Please note this discount is only available to those individuals who do NOT have any insurance coverage. This discount can be utilized for any outpatient services excluding surgical procedures. The payment must be made in full at the time of service. In addition, the Hospital offers a Pre-Pay OB package to Self-Pay patients only. Please contact the Business Office at 574-546-8048 for more information.

Prompt Pay Discount

The Hospital also offers a prompt pay discount. Please contact our Business Office at 574-546-8048 for additional information.

Methods for Applying for Financial Assistance

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Patients may apply for financial assistance by completing the FAP application prior to, at the time of, or after services are rendered. Applications may be accessed by the Business Office, from the Hospital web-site, or requesting an application by phone at 574-546-8048. Applications may also be mailed to the Hospital at:

Community Hospital of Bremen
Attn: Business Office
1020 High Rd
Bremen, IN 46506

Notification Requirements

The availability of the FAP will be widely publicized within the communities serviced by the Hospital. All admitting areas shall have posters prominently displayed that advise patients of the existence of the Hospital's FAP and will make reasonable efforts to offer a summary of the FAP and a FAP application form to individuals before being discharged from the Hospital; or by offering a Summary of the FAP at the time of patient registration. There is direct web access to the Summary of the FAP; and the Hospital will provide at least one written notification informing the patient of any ECAs the Hospital may take if the FAP application is not received or payment has not been received.

Write-Offs and Adjustments

Emergency and medically necessary services will be written off, in whole or in part, if the patient's financial assistance application is approved. Any patient whose income is below 138% of the FPG must apply for Indiana HIP and be denied before receiving financial assistance.

All determinations pertinent to this FAP are to be made by the Financial Counselor, the Business Office employees, and approved by the Chief Financial Officer.

HOSPITAL BILLING AND COLLECTIONS POLICY:

Accounts for hospital services for patients who are able, but unwilling, to pay are considered uncollectible bad debts and will be referred to outside agencies for collection. The unpaid discounted balances of patients who qualify for the FAP are considered uncollectible bad debts and such patients will be referred to outside agencies for collection.

The Business Office has the responsibility for monitoring and ensuring that a reasonable effort to determine whether an individual is FAP-eligible and for determining whether and when extraordinary collection actions may be taken in accordance with this policy and the Billings and Collections Policy.

The Hospital will notify individuals that financial assistance is available to eligible individuals at least 30 days prior to pursuing ECAs to obtain payment for the care provided by the hospital by doing the following:

1. Provide written notice to the individual indicating that financial assistance is available to eligible individuals, indicating that the Hospital intends to initiate or have a third party initiate to obtain payment for the care, and provides a deadline after which ECAs may be pursued and which is no later than 30 days after the date of this written notice;
2. Provide the individual a Summary of the Financial Assistance Policy with this written notice; and
3. Make reasonable efforts to orally notify individuals about the Hospital's financial assistance policy.

Financial Expectations

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- Consistent with this Policy and the Financial Assistance Policy, the Hospital will clearly communicate with patients regarding financial expectations as early in the appointment and billing process as possible.
- Patients are responsible for understanding their insurance coverage and for providing needed documentation to aid in the insurance collection process.
- Patients may be required to pay a pre-service deposit or pay co-pays and deductibles prior to services. Amounts may be collected after services are provided, based on the current business practices of individual Hospital sites.
- Patients are responsible for paying self-pay balances, including any amounts not paid by insurance companies or applicable third party payers.
- If the patient has a previous bad debt or outstanding balance, the Hospital may request amounts owed before future appointments are granted. If arrangements cannot be made for resolving the patient's outstanding balance, future non-emergency care may be limited or denied. Pre-service deposits may be required for non-emergency services.

Notification Period

ECAs for hospital services will not commence for a period of 120 days after the date of the first post-discharge billing statement for the applicable medically necessary or emergency medical care.

Application Period

The financial assistance application period begins on the date medical care is provided and ends 240 days after the first post-discharge billing statement or 30 days after the hospital or authorized third party provides written notice of ECAs the hospital plans to initiate, whichever is later. The Hospital widely publicizes the availability of financial assistance and makes reasonable efforts to identify individuals who may be eligible. The eligibility criteria and application process is set forth in the applicable Financial Assistance Policy.

If a patient submits a complete hospital financial assistance application during the application period, the Hospital will suspend ECAs and make an eligibility determination before resuming applicable ECA activity.

Equal Opportunity

When making decisions throughout the collection process, the Hospital is committed to upholding the multiple federal and state laws that preclude discrimination on the basis of race, sex, age, religion, national origin, marital status, sexual orientation, disabilities, military service, or any other classification protected by federal, state or local laws.

Confidentiality

The Hospital staff will uphold the confidentiality and individual dignity of each patient. The Hospital will meet all HIPAA requirements for handling personal health information.

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REFERENCES:

Patient Protection and Affordable Care Act, Section 9007

Internal Revenue Code, Section 501(r)

APPENDIX:

Summary of the Financial Assistance Policy

Please contact the Business Office for a copy of the Hospital List of Emergency and Medically Necessary Providers.
